

**CAMPBELL COUNTY FISCAL COURT
MINUTES**

August 5, 2009

A regular meeting of the Campbell County Fiscal Court was held on Wednesday, August 5, 2009, at 7:00 p.m. at the Campbell County Courthouse located at 8352 East Main Street, Alexandria, Kentucky.

Preceding the opening of the Fiscal Court meeting, a public hearing was held at 6:50 p.m. for the purpose of considering the approval of the issuance of Industrial Building Revenue Refunding and Improvement Bonds, Series 2009, for Brighton Properties, Inc. Present at the hearing were:

David Otto, County Commissioner
Ken Rechtin, County Commissioner
Mark Hayden, County Commissioner
James Daley, County Attorney
Robert Horine, County Administrator
Paula Spicer, Fiscal Court Clerk
Jim Seibert, Director of Fiscal Affairs

Commissioner Otto opened the public hearing. Ian Koffler, Peck Shaffer and Williams LLP, bond counsel, and Bob Bruester, Brighton Center, were present. Mr. Koffler pointed out that no funds of the County are pledged for repayment; the obligation to pay back the bonds is solely that of Brighton Properties. He explained that Brighton Properties will use the proceeds to retire the existing debt; the only new debt will be for the new comprehensive phone system. Mr. Koffler asked if there were any questions. Commissioner Otto stated that the Fiscal Court is always happy to be of assistance to Brighton Center or any other entity that needs its help. Mr. Bruester thanked the Fiscal Court for their action. There being no questions or comments, Commissioner Otto closed the public hearing at 6:55 p.m.

In attendance at the regular meeting were:

COUNTY COMMISSIONERS:

DAVID OTTO
KENNETH RECHTIN
MARK HAYDEN

Robert Horine	County Administrator
James A. Daley	County Attorney
Jim Seibert	Director of Fiscal Affairs
Paula Spicer	Fiscal Court Clerk
William Turner	Director, Office of Emergency Management
Lt. Col. Todd Straman	Campbell County Police Department
Naguanda Deaton	Director, Human Resources
Ken Schultz	Director, Road Department

Commissioner Otto presided over the meeting in the absence of Judge/Executive Pendery.

The meeting was called to order at 7:00 p.m. by Commissioner Otto. Cable Access was present to film the meeting.

Commissioner Otto asked for a moment of silence, followed by the Pledge of Allegiance. Following roll call, a quorum was declared present.

Minutes from the regular Fiscal Court Meeting held on July 15, 2009 were presented. Motion was made by Commissioner Rehtin, seconded by Commissioner Otto, to approve the minutes. All voted "AYE" and the motion passed unanimously.

Commissioner Otto asked if there was anyone who wished to address the Fiscal Court. J. R. Roth, Campbell County Chairman of the League of Kentucky Property Owners, stated that he wished to address the Fiscal Court on two issues. First, he distributed a resolution regarding the 10th Amendment which he would like the County to adopt. His second issue was about the agreement with Sanitation District No. 1 (SD1). He announced that he is on the storm water community council for SD1. He stated that the County is going to sign away all of the pipes, easements and other stuff that the County has, to comply with the consent decree. He stated that the consent decree is in Atlanta, and after a shake up there, the person who was going to sign it no longer has a job there. The new person will not accept the consent decree. His next issue is the service area in Campbell County. He understands that the northern half of the County is in the service area of SD1, the southern half is not in the service area as those residents have septic tanks. Mr. Roth cited a recent law passed in Ohio that got a moratorium on a provision that required a special type of septic tank which would cost homeowners \$25,000. Some homes were foreclosed on because they couldn't afford the required septic tank. He stated that before they give everything to SD1, they should know what they're giving away. Mr. Roth stated that 36% of the area falling under the storm water regulations is owned by the State. Therefore, if 36% of the problem is the State's, then that problem should be dealt with first. His last question was, will the County be turning over the current tax bills so that SD1 knows who to send storm water bills to; somehow this information is being leaked to SD1. He urged the Fiscal Court to think about it before they sign anything.

Leonard Bauman, Alexandria, stated that he doesn't know how he is getting a bill – he does not have city water and has a septic tank, yet he is getting a bill for water runoff. He knows a man whose water was shut off because he did not pay the bill for water runoff despite the fact that he was paying his regular water and sanitation bills. Mr. Bauman doesn't think that's fair. Robert Horine urged Mr. Bauman to contact the Sanitation District to get some of his issues cleared up.

Robert Horine explained that the agreement to transfer responsibility for the storm water system to SD1 doesn't have anything to do directly with the consent decree. The County is responsible for complying with storm water regulations mandated by the federal government and the State of Kentucky; this can be done on our own or as a region. In 2003 all Northern Kentucky local governments agreed that it makes more sense to do this on a regional basis and have one agency comply with all regulations for storm water, and the necessary agreements were entered into.

The action requested tonight, to transfer the infrastructure to SD1 so that they become responsible for it, is the next step in that 2003 agreement. Mr. Horine stated that the area that is covered by the storm water permit was mandated by the federal government. They defined the boundaries of the area that must comply, and every property owner within those boundaries are required to be assessed a fee. He stated that all of these property owners must share in the cost of storm water management. Mr. Bauman reiterated that he is being billed for a service that he does not get, and he knows of people who are not getting billed. Commissioner Hayden stated that local officials get mandates from the state and federal governments which they have to comply with or they will get fined. J. R. Roth stated that he is trying to advise the County that the new person who is supposed to sign the consent decree will not sign it. Mr. Horine again stated that the transfer agreement has nothing to do with the consent decree.

Commissioner Otto announced that Gary Lee Bocker, a mechanic in the Road Department, is retiring after 15 years of service with Campbell County. Commissioner Otto presented Mr. Bocker with a watch in recognition of his service. Mr. Bocker's wife and other family members were in attendance.

There was one item of Old Business to vote on. Robert Horine presented Ordinance O-07-09 for second reading and passage consideration. It was read by title and summary given by title. O-07-09 authorizes the issuance of industrial building revenue refunding and improvements bonds, series 2009 (Brighton Properties, Inc. Project) of the County of Campbell, Kentucky, in an aggregate principal amount not to exceed \$2,400,000, the proceeds of which shall be loaned to Brighton Properties, Inc. to (1) finance the acquisition and installation of equipment and (2) refund outstanding obligations which in turn were issued to refinance the acquisition, construction, installation and equipping of facilities, all of the foregoing being suitable for use as health care and related facilities and as facilities in furtherance of the educational purposes of Brighton Properties, Inc. and Brighton Center, Inc.; providing for the pledge of revenues for the payment of such bonds; authorizing a loan agreement appropriate for the protection and disposition of such revenues and to further secure such bonds; authorizing a bond purchase agreement, tax regulatory agreement, mortgage and assignments; and authorizing other actions in connection with the issuance of such bonds. Mr. Horine explained that this is the subject of the public hearing held earlier. Ian Koffler, Peck Shaffer and Williams, and Robert Bruester, Director of Brighton Center, were available to answer any questions. Commissioner Rehtin made a motion to adopt O-07-09, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

Mr. Horine proceeded with New Business by presenting Resolution R-98-09 which was read by title and summary given. R-98-09 authorizes the Judge/Executive to execute an agreement with Sanitation District No. 1 of Campbell, Kenton and Boone Counties, Kentucky for the transfer and assignment of the SD1 storm water drainage system. This agreement follows through with the agreement entered into in May, 2003 whereby SD1 is offering to take over responsibility for all of the storm water infrastructure in unincorporated Campbell County. Commissioner Rehtin made a motion to adopt R-98-09, seconded by Commissioner Otto. Commissioner Hayden announced that he was recusing himself from this vote. Mr. Horine stated that this agreement does not affect the fee structure in the area covered by the fee that has been in effect since 2003; everybody who is currently paying the fee will continue to pay the fee. There are no new

customers being added as a result of this action. Commissioner Rehtin stated that the City of Cold Spring is still in discussion with SD1 regarding some structures that the City thinks should be included in the agreement that were not originally in it. He asked if the County determines at a later date that there are structures that should be covered, will they be able to add them. Mr. Horine stated that if SD1 makes changes, he would expect that they would honor changes with the County as well. At this point staff is satisfied and recommends this agreement with what is included now, basically everything beneath the grade. Everything above grade is the County's responsibility, i.e. keeping ditches and gutters clean which they are doing now. Ken Schultz, Road Department Director, has reviewed the maps and proposals and is satisfied with it. In answer to Commissioner Rehtin's question, Robert Horine stated that storm water lines that are off of private drives are not included in the agreement. He stated that this basically covers those systems that have been accepted for public maintenance. The storm water system associated with any streets or roads that are not maintained by the County, will not be accepted for maintenance by SD1. If in the future the County accepts a road for maintenance, then the associated storm system would become the responsibility of SD1. Commissioner Hayden stated that he was abstaining from voting on this issue. All voted "AYE" and the motion passed.

Resolution R-103-09 was read by title and summary given. R-103-09 authorizes the execution of an agreement with Spyglass Group, Inc. to provide an audit of telecommunication spending. Mr. Horine explained that at no cost to the County, Spyglass will audit the County's telecommunications spending by reviewing the last couple of year's bills to ensure that the County did not pay taxes or fees that it is exempt from, and they will also review all current billings. Spyglass will only be compensated if they find things that the County has been paying for that it shouldn't be. He stated that staff has done its own review and believes that the County is in good shape, however this audit will validate that or find other savings for the County. This is a typical service that governments use occasionally just to ensure that they not paying for unnecessary services. Mr. Horine stated that if it is found that the County has paid fees that it shouldn't have, Spyglass will received 50% of the savings recovered. Likewise, if there is a service that the County does not need, Spyglass will receive an amount equal to 12 months of the savings. Commissioner Rehtin made a motion to adopt R-103-09, seconded by Commissioner Otto. Commissioner Rehtin stated that he has looked at the company's website, and it doesn't look like anybody else in Kentucky has used this service. Mr. Horine advised that Spyglass approached the County a few months ago; they have worked for a number of governments in Ohio and are looking to expand their service area. Commissioner Rehtin stated that there is no time-frame on the audit; there should be some sort of deadline. Commissioner Hayden asked if they could table this item for further study. Mr. Horine stated that there is no urgency to this agreement. Commissioner Hayden suggested that staff contact other state agencies that have used this group for their recommendation, and to see if they were able to negotiate lower rates.

Resolution R-104-09 was read by title and summary given. R-104-09 authorizes the County Judge/Executive to execute a contract between Campbell County Public Parks Corporation and the Northern Kentucky Water District regarding a grant of easement for a water main installation on property located at A. J. Jolly Park. Robert Horine advised that this easement is needed for the new water line to be installed by the Water District along Stry and Flatwoods Road. The Water District will pay the County \$5,760.00 for the easement. Commissioner Rehtin made a

motion to adopt R-104-09, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

Resolution R-105-09 was read by title and summary given. R-105-09 authorizes the County Judge/Executive to execute an addendum to the Contract between the Fiscal Court and the City of Silver Grove, Kentucky, regarding mowing work on Uhl Road within the City limits. Mr. Horine stated that the County has exercised this contract in the past. The County will trim weeds along that portion of Uhl Road in Silver Grove; a large part of this road is in Campbell County. Commissioner Otto made a motion to adopt R-105-09, seconded by Commissioner Rehtin. All voted "AYE" and the motion passed.

Resolution R-106-09 was read by title and summary given. R-106-09 authorizes the County Judge/Executive to execute a contract for the purchase of blinds for the new County Administration Building. Mr. Horine stated that the blinds will be purchased from the GSA contract in the amount of \$22,983.00. A portion of the purchase price will be reimbursed to the Fiscal Court by the Health Department for the windows in their space in the building. Commissioner Rehtin made a motion to adopt R-106-09, seconded by Commissioner Otto. Commissioner Hayden asked what staff has done to determine that this is the best price. Mr. Horine explained that the GSA contract is generally recognized to be the lowest cost available. When vendors enter into a GSA contract they agree that they will not sell their product for any price lower than the GSA contract. Staff did contact a number of other firms, and determined that this product best met the needs for the building. Commissioner Hayden noted that this amount is less than the original estimate. All voted "AYE" and the motion passed.

Resolution R-107-09 was read by title and summary given. R-107-09 authorizes the County Judge/Executive to execute a Contract with the Alexandria Fair Board for the 2009 Alexandria Fair and Fairgrounds. This contract will allow the County to pay for 10 booths at the Alexandria Fair for the purposes of promoting the County at the Fair. Commissioner Otto made a motion to adopt R-107-09, seconded by Commissioner Rehtin. All voted "AYE" and the motion passed.

Resolution R-101-09 was read by title and summary given. R-101-09 amends the Campbell County Fiscal Court Administrative Code, Chapter 3, Section 351, Business Expense Reimbursement Policy to comply with IRS Guidelines Rev. Rul. 75-170; Rev. Rul. 75-431. Mr. Horine advised that the IRS Guidelines have changed to provide that if an employee is out of the office on assignment, but does not have an overnight stay, then any per diem they receive is a taxable benefit. Staff determined that the best way to remain in compliance with the IRS regulations is to eliminate per diems for expenses when an overnight stay is not involved. The effective date of this change in policy is September 1, 2009. Commissioner Hayden asked if they will continue to enforce the limitations on reimbursement of expenses such as meals. Mr. Horine replied that the reimbursement policy will continue to apply for overnight stays; they will still reimburse for travel costs such as mileage. Commissioner Otto made a motion to adopt R-101-09, seconded by Commissioner Rehtin. All voted "AYE" and the motion passed.

Mr. Horine presented the following personnel issues. A motion was requested to promote Michael Ashmore from Mechanic Level II to Mechanic Level III in the Campbell County Road Department with compensation set at \$24.4317 per hour effective August 5, 2009. Motion was

made by Commissioner Otto, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

A motion was requested to advance Patrolman Matthew Meyer from Patrolman Grade I 9B (\$17.7270/hour) to Patrolman Grade II 10A (\$18.593/hour) effective August 4, 2009 in accordance with the current FOP agreement. Motion was made by Commissioner Otto, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

A motion was requested to advance Patrolman Adam Moeves from Patrolman Grade I 9B (\$17.7270/hour) to Patrolman Grade II 10A (\$18.593/hour) effective August 4, 2009 in accordance with the current FOP agreement. Motion was made by Commissioner Otto, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

A motion was requested to reappoint Doug Wagner to the Northern Kentucky Water Service Board for a four year term effective August 27, 2009 through August 26, 2013. Motion was made by Commissioner Otto, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

Commissioner Otto announced that the Alexandria Fair will be held September 2 through September 7, 2009. He requested a motion to change the time of the September 2, 2009 Fiscal Court Meeting from 7:00 p.m. to 4:00 p.m. due to the conflict with the Alexandria Fair Parade. Commissioner Rechtin seconded the motion. All voted "AYE" and the motion passed.

Commissioner Otto announced that the Campbell County Senior Picnic is scheduled for Wednesday, September 16, 2009. Tickets are \$8.00 presale, and are available now at the Campbell County Senior Center and at the Fiscal Court Offices in Newport. The theme for this year's picnic is "Seniors on Safari".

Jim Seibert then presented his report. Resolution R-102-09 was read by title and summary given. R-102-09 approves the Campbell County Health Department tax rate for the fiscal year 2010 for the Campbell County Public Health Taxing District. He stated that the rate is 2.2 cents per \$100 of assessed value, the same as last year's rate. Commissioner Rechtin made a motion to adopt R-102-09, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

A motion was requested to acknowledge for the record that Treasurer Diane Bertke has completed the FY 2009 Treasurer's Report as required by Kentucky Revised Statutes. Mr. Siebert advised that they are no longer required to publish the report in the newspaper; they now only have to have it available for review.

Mr. Seibert requested a motion to approve the transfers as presented for August 5, 2009. Motion was made by Commissioner Rechtin, seconded by Commissioner Otto. All voted "AYE" and the motion passed.

Mr. Seibert then requested a motion to approve the claims as presented for August 5, 2009. County Attorney James Daley stated that he has reviewed the claims and all appear appropriate.

Motion was made by Commissioner Otto, seconded by Commissioner Hayden. All voted "AYE" and the motion passed.

There being no further business to come before the Fiscal Court, Commissioner Otto made a motion to adjourn, seconded by Commissioner Rechlin. All voted "AYE" and the meeting adjourned at 7:47 p.m.

Attachments:

Ordinance O-07-09 Industrial Building Revenue Bonds (Brighton Properties, Inc.)
Resolution R-98-09 Agreement with Sanitation District No. 1
Resolution R-104-09 Easement to Northern Kentucky Water District
Resolution R-105-09 Addendum to Contract with City of Silver Grove
Resolution R-101-09 Amend County Administrative Code
Resolution R-106-09 Contract with Welling Construction Services
Resolution R-107-09 Contract with Alexandria Fair Board
Resolution R-102-09 Approve County Health Board Tax Rate for FY 2010

FY2009 Treasurer's Report
Transfers of August 5, 2009
Claims of August 5, 2009

Approved:

DAVID E. OTTO
Commissioner

Attest:

Paula K. Spicer
Fiscal Court Clerk